

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2004

	September-04					August-04				July-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Quarter	Month	Month	Market Value	Allocation	Month	Month	Market Value	Allocation	Month	Month	FYTD	FY04	Ended	Ended
		Actual	Policy	Net ROR	Net ROR		Actual	Policy	Net ROR		Actual	Policy	Net ROR	Net	Net	6/30/2004	6/30/2004
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
Los Angeles Capital	9,744	1.5%	1.5%	-4.14%	1.34%	9,614	1.5%	1.5%	-0.39%	9,656	1.5%	1.5%	-5.03%	-4.14%	N/A	N/A	N/A
Total Structured Growth	9,744	1.5%	1.5%	-4.14%	1.34%	9,614	1.5%	1.5%	-0.39%	9,656	1.5%	1.5%	-5.03%	-4.14%	17.58%	-6.28%	N/A
Russell 1000 Growth				-5.23%	0.95%				-0.49%				-5.65%	-5.23%	17.88%	-3.74%	N/A
<i>Structured Value</i>																	
LSV	10,626	1.6%	1.5%	3.21%	3.01%	10,313	1.6%	1.5%	1.42%	10,166	1.6%	1.5%	-1.21%	3.21%	30.56%	9.33%	N/A
Russell 1000 Value				1.54%	1.55%				1.42%				-1.41%	1.54%	21.13%	2.96%	N/A
<i>Russell 1000 Enhanced Index</i>																	
LA Capital	20,758	3.1%	3.0%	-1.68%	1.72%	20,403	3.1%	3.0%	0.22%	20,368	3.1%	3.0%	-3.56%	-1.68%	N/A	N/A	N/A
Russell 1000				-1.81%	1.26%				0.49%				-3.51%	-1.81%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>																	
Westridge	20,170	3.0%	6.0%	-1.99%	0.93%	19,947	3.0%	6.0%	0.43%	19,872	3.0%	6.0%	-3.30%	-1.99%	N/A	N/A	N/A
S&P 500				-1.87%	1.08%				0.40%				-3.31%	-1.87%	N/A	N/A	N/A
<i>Index</i>																	
State Street	6,071			-1.88%	1.08%	6,006			0.41%	5,983			-3.32%	-1.88%	19.01%	-0.75%	N/A
Total Index	6,071	0.9%	1.0%	-1.88%	1.08%	6,006	0.9%	1.0%	0.41%	5,983	0.9%	1.0%	-3.32%	-1.88%	19.01%	-0.75%	N/A
S&P 500				-1.87%	1.08%				0.40%				-3.31%	-1.87%	19.11%	-0.70%	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	67,369	10.1%	10.0%	-1.42%	1.57%	66,283	10.0%	10.0%	0.39%	66,045	10.1%	10.0%	-3.33%	-1.42%	21.46%	0.15%	N/A
S&P 500				-1.87%	1.08%				0.40%				-3.31%	-1.87%	19.11%	-0.70%	N/A
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
SEI	34,864	5.2%	5.0%	-3.60%	5.35%	30,650	4.6%	5.0%	-1.26%	31,051	4.7%	5.0%	-7.32%	-3.60%	32.99%	5.51%	N/A
Russell 2000 + 200bp				-2.36%	4.86%				-0.35%				-6.57%	-2.36%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	34,864	5.2%	5.0%	-3.60%	5.35%	30,650	4.6%	5.0%	-1.26%	31,051	4.7%	5.0%	-7.32%	-3.60%	32.99%	5.54%	N/A
Russell 2000				-2.86%	4.69%				-0.51%				-6.73%	-2.86%	33.36%	6.24%	N/A
CONVERTIBLES																	
TCW	67,068	10.0%	10.0%	-4.35%	1.31%	63,905	9.7%	10.0%	-0.54%	64,317	9.8%	10.0%	-5.08%	-4.35%	17.50%	1.03%	N/A
First Boston Convertible Index				-1.05%	1.78%				-0.30%				-2.49%	-1.05%	14.16%	4.89%	N/A
INTERNATIONAL EQUITY																	
<i>Large Cap - Active</i>																	
Capital Guardian	53,363	8.0%	8.0%	-1.77%	1.41%	50,860	7.7%	8.0%	0.34%	50,756	7.7%	8.0%	-3.47%	-1.77%	25.36%	-0.39%	N/A
MSCI EAFE - 50% Hedged				-0.72%	2.02%				0.12%				-2.80%	-0.72%	26.98%	-1.27%	N/A
<i>Small Cap - Value</i>																	
Lazard	7,169	1.1%	1.0%	0.29%	2.98%	7,088	1.1%	1.0%	0.47%	7,068	1.1%	1.0%	-3.07%	0.29%	43.30%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-0.82%	2.50%				1.00%				-4.20%	-0.82%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>																	
Vanguard	6,811	1.0%	1.0%	0.49%	2.58%	6,778	1.0%	1.0%	0.81%	6,719	1.0%	1.0%	-2.82%	0.49%	44.68%	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-0.82%	2.50%				1.00%				-4.20%	-0.82%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	67,343	10.1%	10.0%	-1.31%	1.69%	64,726	9.8%	10.0%	0.41%	64,543	9.9%	10.0%	-3.35%	-1.31%	29.16%	1.02%	N/A
MSCI EAFE - 50% Hedged				-0.72%	2.02%				0.12%				-2.80%	-0.72%	26.98%	-1.27%	N/A
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
Western Asset	141,323	21.2%	20.0%	3.52%	0.25%	141,922	21.4%	20.0%	2.03%	139,153	21.2%	20.0%	1.20%	3.52%	2.42%	7.77%	N/A
Lehman Aggregate				3.20%	0.27%				1.91%				0.99%	3.20%	0.32%	6.35%	N/A
<i>Index</i>																	
Bank of ND	177,846	26.6%	30.0%	2.54%	0.16%	182,526	27.6%	30.0%	1.61%	179,624	27.4%	30.0%	0.77%	2.54%	0.07%	7.10%	N/A
Lehman Intermediate Gov/Credit (1)				2.71%	0.17%				1.67%				0.84%	2.71%	-0.05%	6.97%	N/A
<i>BBB Average Quality</i>																	
Strong	79,232	11.9%	10.0%	4.51%	0.70%	79,203	12.0%	10.0%	2.40%	77,329	11.8%	10.0%	1.35%	4.51%	1.18%	N/A	N/A
Lehman US Credit BAA				4.76%	0.75%				2.55%				1.40%	4.76%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	398,400	59.6%	60.0%	3.27%	0.30%	403,651	61.0%	60.0%	1.91%	396,106	60.5%	60.0%	1.03%	3.27%	0.79%	7.00%	N/A
Lehman Gov/Credit				3.56%	0.35%				2.12%				1.06%	3.56%	-0.72%	6.73%	N/A
CASH EQUIVALENTS																	
Bank of ND	32,966	4.9%	5.0%	0.44%	0.15%	32,715	4.9%	5.0%	0.15%	32,970	5.0%	5.0%	0.14%	0.44%	1.20%	1.72%	N/A
90 Day T-Bill				0.37%	0.13%				0.12%				0.12%	0.37%	0.98%	1.71%	N/A
TOTAL DEFERRED SICK LEAVE FUND	668,011	100.0%	100.0%	1.00%	0.92%	661,930	100.0%	100.0%	1.00%	655,032	100.0%	100.0%	-0.91%	1.00%	8.91%	5.34%	N/A
POLICY TARGET BENCHMARK				1.65%	0.94%				1.27%				-0.56%	1.65%	6.92%	5.12%	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.